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8-June
JUN 1957

MEMORANDUM FOR: Comptroller

SUBJECT : Adjustment of Credit Balances in Allotment
Accounts of Prior Years

1. Several of the Budget and Fiscal Officers in the DD/P area have presented requests to the Budget Division, during the last several months, for adjustments in their prior years (FY 1955 and 1956) allotment accounts to eliminate credit balances. To date no replies to these requests have been received.

2. The requests, with explanations, were presented by the EF Officers in line with their understanding, from a meeting held in your office last fall, that such requests and explanations would be given consideration looking toward adjustment of the allotment accounts.

3. At this season of the fiscal year, when the Budget Officers are reviewing their accounts to determine where savings may be realized for redistribution to cover other approved DD/P activities, they are reluctant to cut their accounts down to a narrow margin for fear of inadvertently incurring credit balances.

4. Late obligation reports from the field occasionally exceed estimates made at headquarters. Likewise, mechanical errors in record keeping produce similar results. Problems of pouching time and distance also make precision in obligation reporting difficult.

5. It is estimated that to completely and surely avoid the possibility of incurring credit balances as much as ten per cent of an office's allocation would have to be retained as a cushion by the component.

6. Since the EF Officers are trying to determine a maximum savings position by 20 June it would be appreciated if you would let me know of the action taken on the pending requests for prior year allotment adjustments so that funds, otherwise available for redistribution, will not be retained simply to guard against potential credit balances beyond the control of the EF Officers.

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Document No. 16

No Change In Class.

Declassified

Ass. Channed to: TS - C

Next Review Date: _____

Auth.: HR 70-3

Date: 19-12-78

By: 024

Special Support Assistant
to the
Deputy Director (Support)

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